

18 February 1988

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NOTE FOR: D/ICS

FROM: 

D/PPD

SUBJECT: Talking Points on NAPA Personnel
Study

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1. Attached for your use at the CIA off-site is a two-page set of talking points on the NAPA study. 

2. Also attached for further background is a copy of the Terms of Reference for the study.

3. Both the talking points and the TOR are unclassified.

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Attachments:
a/s

INFORMATION

NAPA Study of Intelligence Personnel Systems

Background

- o The FY 1988 Authorization Act mandated a study of civilian personnel management and compensation systems--study to be classified and to include virtually all of Community--to be performed by the National Academy of Public Administration (NAPA)--\$500,000 allocated
- o Final report due 20 January 1989--interim reports due 1 May and 1 September
- o Congressional concern is to get a comprehensive baseline of intelligence personnel systems and needs--avoid piecemeal, "ratcheting" requests for changes in existing authorities--NAPA is to make recommendations for legislative or regulatory change it deems advisable

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Guidance

- o D/ICS convened a senior management policy group in January to endorse Terms of Reference for the study and get senior involvement ([redacted] Bill Odom, Buck Revell, DIA, INR, and the Services attended); this group will provide policy guidance and direction
- o Day-to-day guidance will be provided by a steering group chaired by [redacted] of the IC Staff--representatives from CIA, NSA, DIA, FBI, INR, and the Services--Deputy Personnel Director level--group has met weekly for past two months--developed TOR, devised approach to study, identified needs, objectives, and so on--good Community participation, positive attitude

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Status

- o RFP issued in early February, followed by NAPA response and iteration--contract set for signature last week (16-19 Feb)
- o Four broad areas of study have been identified:
 - Examine need for change to personnel systems in face of economic, social, and demographic trends
 - Examine present and planned personnel systems to determine if they will be able to attract and retain the people we need
 - Compare intelligence systems with the Federal civil service, pointing out basis for differences
 - Compare needs and requirements of individual Community agencies and offices

- o NAPA effort to be conducted by a 7 member panel of prestigious executives and administrators with public and private sector experience--will meet throughout the year to guide and direct staff efforts and approve report
- o Panel will be chaired by Phil Odeen (NSC background)--Other members include Bobby Inman; Carol Laise (retired ambassador, worked on a small scale NAPA CIA study in late 70s); LTG (Ret.) Julius Becton (currently Director FEMA); Fred Meuter (Xerox Executive); Bill Miller (former SSCI staff director); and Jim Colvard (recently retired Deputy Director of OPM)
- o NAPA working effort to be led by Don Wortman, former DDA/CIA and Frank Yeager, former Director of Personnel at the Department of Labor--along with an admin assistant and editor, Wortman and Yeager will act as a core staff for the study--office space and equipment for the core group has been furnished by CIA (in Key Building)--core staff being processed for staff-like CIA access, including polygraphs--expect approvals shortly--CIA's Office of Logistics and Office of Security have been very helpful
- o NAPA core staff to be augmented by five senior investigators working on a part-time basis--all former NSA, CIA, and OSD SIS-level officers (John Wilson, OSD; [redacted] CIA; [redacted] NSA)--will be cleared to secret level, higher if needed, but not given staff-like access
- o Effort will kick off next week (29 Feb-1 March) with a two-day off-site for Community participants and NAPA core-team and senior investigators--will establish a baseline of understanding of various personnel systems and differences at issue--will supplement preliminary data supplied at the unclassified level
- o Congressional interest has been high--HPSCI and SSCI staff have consulted on Panel member selection and provided input on the direction the study should take--we will stay in touch with staffers throughout the study

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Outlook

- o Will be important to treat this study as an opportunity rather than as an annoyance--a chance to make significant points and use an independent, objective body to confirm merits of Community needs and proposals to the Congress--[redacted]'s steering group operating with this objective and all Community participants are giving best cooperative efforts--CIA's senior managers should take an active interest in the study and ensure that key personnel objectives are being considered.

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Study of Intelligence Personnel Systems

Terms of Reference

Background

The Intelligence Authorization Act for Fiscal Year 1988 (Title VII, Section 701) requires the Director of Central Intelligence to contract with the National Academy of Public Administration (NAPA) for a comprehensive review and comparative analysis of the civilian personnel management and compensation systems of the Intelligence Community. The analysis is to include an assessment of the adequacy of existing personnel systems to support the missions of the various intelligence organizations. NAPA is also directed to make recommendations for additional legislation and regulatory or other changes that are deemed advisable to improve the effectiveness of the separate systems.

Scope and Emphasis

For the purpose of the study, the "Intelligence Community" will be CIA, NSA, DIA, State/INR, FBI/FCI, and the intelligence elements of the military services.

The study is intended to be an objective, classified review of the Intelligence Community's personnel management and compensation systems. The aim is to provide a baseline understanding of the effect of these systems on

the ability of intelligence organizations to perform current and future missions. In carrying out the study, NAPA will examine issues and programs bearing on recruitment, retention, and effective management of employees. Attention should be paid to the consequences of pay and evaluation aspects of personnel systems and to programs related to needs for certain critical skills and occupations. Career development and employee support programs should also be examined, as should infrastructure support for personnel management. The interim and final reports should also provide NAPA's recommendations regarding proposed and potential legislation affecting the intelligence personnel systems.

Broad Objectives

The study should achieve the following broad objectives:

- o An examination of the need for significant change in existing Intelligence Community human resource management systems implied in current economic, social, and demographic trends.
- o An examination of present and planned Intelligence Community personnel systems to ascertain if they will be able to attract and retain the highest quality personnel through the 1990s, including identification and specification of necessary improvements and required legislative proposals.
- o A comparison of Intelligence Community personnel systems with the federal civil service, including identification and analysis of

personnel issues facing the Intelligence Community that differ significantly from those facing the federal government in general.

- o A comparison of the personnel needs and requirements facing the individual members of the Intelligence Community, with due regard for the differing missions, risks, job requirements and environments of the agencies, departments, and offices involved.
- o Recommendations, if warranted, for legislative, regulative, or other changes in personnel and/or compensation programs based on the unique nature of intelligence activities.

Areas of Inquiry

In the course of meeting the broad objectives, the study should address the following specific areas:

- o Competition Intelligence Community competition for human resources is primarily with the private sector. The total compensation package (pay, benefits, and awards) should be evaluated to determine what needs to be done to make the Intelligence Community competitive in the 1990s in the private sector market in which it competes.
- o Security Special security, cover, lifestyle, and professional restrictions should be examined to determine how they should be recognized in the total compensation packages.

- o Rewards Mechanisms and programs for rewarding employees should be evaluated.
- o Training The resources necessary for retraining to meet changing staffing requirements should be analyzed. Areas that should be assessed include the adequacy of current training and employee development programs throughout the Intelligence Community (as they relate to occupational skills training and the availability of training) and the adequacy of resource commitments to these endeavors.
- o Work Environment The quality of work environment in each agency, including availability of appropriate facilities and equipment, should be compared with corresponding elements in the private sector.
- o Retirement Systems Existing retirement systems should be evaluated as both a managerial tool and an employee incentive. The focus here should be derived from the vagaries of ceiling and special skill needs and the consequent expectation that age and promotion bubbles will arise. The evaluation should emphasize problems of plateauing and the need to ensure appropriate employee throughput.
- o Flexibility The changing and expanding nature of intelligence requirements and the growing interdisciplinary, interagency character of intelligence work require managers to have greater staffing and pay flexibility in organizing the work force. The study should explore the appropriateness and feasibility of establishing

alternatives to the General Schedule and/or restructuring the General Schedule to provide greater management flexibility.

- o Occupational Pay Occupational pay should be evaluated as an approach to pay administration.
- o Leave and Benefits Alternative leave and benefit programs should be evaluated with respect to the need to accommodate the modern work force, which contains an increasing number of dual-income families and single parents.
- o Career Development The adequacy of career development programs in the face of dynamic change should be examined. Attention should be paid to existing and potential programs, including efforts to recognize the roles of both managers and specialists.
- o Wartime Operations The potential impact of wartime operations on civilian personnel should be addressed, especially with respect to the need for continuity of critical functions in the US and overseas.

Steering and Guidance

A Study Steering Group (SSG), chaired by a member of the Intelligence Community Staff, with representatives (one each) from the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency, the Department of State's Bureau of Intelligence and Research, the Federal Bureau

of Investigation, and US Army Intelligence (representing all the military services) will be formed to guide and facilitate NAPA's work, to assure that necessary support is provided from participating agencies, and to assist the Intelligence Community Staff in carrying out its role as agent for the DCI in reviewing and overseeing the study. The Intelligence Community staff will provide the Contracting Officer's Technical Representative (COTR) for the study.

The SSG will identify within each participating agency or entity a focal point for all study-related activity within that organization, including responses to NAPA's requests for information. NAPA will coordinate all of its activities through these focal points. Both NAPA and the focal points will keep the COTR and SSG aware of progress and problems.

The SSG will receive guidance and overall direction from a Study Management Policy Group (SMPG). The SMPG will be chaired by the Director of the Intelligence Community Staff and will be composed of NFIC-level representatives of the intelligence organizations participating in the study. The SMPG will act for the DCI in the review of the interim reports and will make recommendations to the DCI regarding the final report.

Security

Names of the NAPA study team and panel will be provided to the COTR prior to commencement of the study to assure that necessary clearances are obtained from participating organizations.

The COTR will determine that NAPA is provided with suitable secure office space and storage facilities. The focal point for each organization will make such arrangements as may be necessary for office space and secure storage facilities in individual organizational locations.

Methodology and Study Organization

NAPA shall be responsible for the proposal of a study methodology and organization which shall be subject to the approval of the COTR after consultation with the Study Steering Group. The COTR will convey to NAPA any special study focus and guidance received from the Congressional Oversight Committees when it becomes available. In defining the study's scope and tasks, NAPA's proposal shall take into account the funding constraints in the authorizing legislation as well as timing and other considerations required for the interim and final reports.

Timing and Reports

The study will begin as soon as practicable after 1 January 1988. NAPA will provide interim reports on 1 May and 1 August 1988. The study will be concluded and a final report provided by the DCI to the Oversight Committees on or before 20 January 1989.

The purpose of the interim reports is to provide a means for an assessment by the Congress of new or substantially modified programs and compensations planned for early implementation. In view of the limited time available to develop the interim reports, the SSG should advise NAPA early in the study which such programs should be evaluated. In addition to a report of progress on the study in general, of particular interest is an analysis of existing or proposed changes to personnel management and compensation systems aimed at recruiting or retaining individuals with skills critical to the missions of the Intelligence Community.